## IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS EASTERN DIVISION

STANDARD IRON WORKS, on behalf of itself and all others similarly situated,	) ) )
Plaintiff,	) Case No. 08-cv-5214
v.	) ) . Hon Jomes B. Zogel
ADCELODMITTAL, ADCELOD MITTAL	) Hon. James B. Zagel
ARCELORMITTAL; ARCELOR MITTAL	) Han Jaffnan Cala
USA, INC.; UNITED STATES STEEL	) Hon. Jeffrey Cole
CORPORATION; NUCOR CORPORATION;	)
GERDAU AMERISTEEL CORPORATION;	)
STEEL DYNAMICS, INC.; AK STEEL	)
HOLDING CORPORATION; SSAB SWEDISH	)
STEEL CORPORATION; COMMERCIAL	)
METALS, INC.,	)
	)
Defendants.	)
	)

#### DEFENDANTS' STATUS REPORT FOR SEPTEMBER 1, 2010 STATUS HEARING

Defendants respectfully submit this report to update the Court regarding the progress of discovery since the last status hearing on July 21, 2010. U.S. Steel and Gerdau have made substantial productions of documents to plaintiffs, and expect completion within the established timelines. Likewise, the other six defendants have substantially completed or are approaching substantial completion of the document portion of their production; several have also produced the agreed-upon data, and others expect to do so in the near future.

Defendants are unaware of any matters requiring judicial intervention at this time and respectfully suggest that the upcoming status hearing could be more efficient if reset for a date convenient to the Court after September 30. Defendants contacted plaintiffs to discuss this suggestion; plaintiffs advised that they prefer to go forward on September 1.

<u>U. S. Steel</u>. Since the July 21 status hearing, U. S. Steel has produced to plaintiffs approximately 53,000 pages of responsive materials, bringing its total production of Bates numbered material to 63,803. The most recent production includes custodial emails and attachments, as well as periodic AISI statistical reports and certain regulatory filing materials that plaintiffs have requested. U. S. Steel also has produced (in highly compressed form) six gigabytes of detailed data relating to over 6.5 million specific customer transactions from 2004-2008. U. S. Steel expects this week to begin production of files related to specific International Trade Commission proceedings identified by plaintiffs. U.S. Steel continues to review the substantial volume of electronic and paper records it has collected from its identified custodians and will produce further responsive materials to plaintiffs on a rolling basis. U. S. Steel remains on track to substantially complete production by the end of October 2010.

Gerdau. Since the July 21, 2010 status hearing, Gerdau has continued to produce documents responsive to plaintiffs' document requests. Over thirty attorneys are reviewing the electronic and hard copy documents of Gerdau's key custodians for privilege and responsiveness. Since the hearing, Gerdau has produced 34,881 pages of documents from the files of its custodians, for a total of 72,226 pages produced to date. At the request of the plaintiffs, Gerdau also produced highly confidential Hart-Scott-Rodino premerger notification documentation for two of its acquisitions during the class period. Gerdau has completed production of all non-custodial documents. In addition, Gerdau and the plaintiffs negotiated and entered into a stipulation regarding the preservation of documents. The stipulation will allow Gerdau to return to its normal document retention policies that were in place before the filing of the complaint, with limited exceptions, for documents created after December 31, 2009. Gerdau expects to substantially complete production by September 30, 2010.

Other Six Defendants. All of the other six defendants have substantially completed or are approaching substantial completion of production of the agreed-upon categories of documents.<sup>1</sup> Several defendants have also produced the agreed-upon categories of data. All defendants target substantial completion of their productions of the agreed-upon categories of data by September 30.

Plaintiffs state in their Status Report, filed August 27, 2010, that "[a]fter Plaintiffs have had a chance to review the senior management productions from Gerdau and US Steel, as well as the unilateral productions of the other six defendants, plaintiffs will seek a prompt opportunity to discuss with the Court the need to apply the senior management discovery template to the other defendants." Pls' Status Rep. at 3 (dkt. no. 250). It is unclear how plaintiffs could already be sure there is such a "need" before the sampling process the Court outlined for the first phase has run its course. Defendants respectfully suggest that the process be given a chance to work before conclusions are drawn about what to do next.

<u>Plaintiffs</u>. The five original direct-purchaser plaintiffs have been producing their paper documents on a rolling basis. None of them have yet commenced production of their electronic

Although smaller than Gerdau's and U.S. Steel's productions, the volume of the other six defendants' productions has not been insubstantial. For the record, the six non-selected defendants set forth below the numbers of pages in their document productions to date, which do not conflict materially with the information in plaintiffs' Status Report dated August 27, 2010. (These numbers actually understate the volume because certain types of files, e.g., Excel spreadsheets, count as only one bates number regardless of size.)

Nucor	10,311
ArcelorMittal	5,568
SDI	10,727
AK Steel	2,887
SSAB	5,918
CMC	26,160

documents. The plaintiff in the new related case filed July 8, Gulf Stream Builders Supply Inc., has not yet produced any documents. The parties are continuing to negotiate the scope of certain requests and objections.

Third-Party Discovery. Plaintiffs recently served subpoenas on six third parties:

American Iron and Steel Institute, Steel Manufacturers Association, Metals Service Center

Institute, Michelle Applebaum Research, World Steel Dynamics, and Association for Iron and

Steel Technology. Defendants understand that some of these third parties have served written responses and objections to the subpoenas, and others have negotiated extensions with plaintiffs.

### Respectfully submitted,

Dated: August 30, 2010 By: /s/ Todd J. Ehlman

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# **CERTIFICATE OF SERVICE**

I hereby certify that on August 30, 2010, I electronically filed the foregoing document **DEFENDANTS' STATUS REPORT FOR SEPTEMBER 1, 2010 STATUS HEARING** and caused the same to be served electronically via the CM/ECF system upon all counsel of record.

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